

# Oil and Gas

## Canada's Oil & Gas Sector



### MARKET OVERVIEW

- Canada is the world's third-largest producer of Natural Gas.
- Canada is the world's ninth largest producer of crude oil.
- The oil sands account for 30 percent of Canada's oil production.
- In 2004 actual investment spending reached US\$21 Billion.
- Over 80 percent of spending in this sector is in the Province of Alberta.
- In 2004 Canada produced 2.5 million barrels per day of crude oil and 17.4 billion cubic feet of natural gas per day.
- Atlantic offshore accounts for seven percent of Canadian oil production.
- Canada provides 17 percent to meet U.S. natural gas demand.

### MARKET FACTS

With the price of oil hovering at \$60 per barrel, and gas at \$6.30 per cubic meter, Canada's abundant energy sector is booming. Confident producers are drilling at record levels, 23,920 wells in 2004 and an anticipated 25,000 in 2005.

With increased demand and price strength, experts forecast the market for oil and gas field machinery to increase by four percent through 2005 and total market size will reach \$6 billion. Traditionally imports from the U.S. amount to 90 percent of the total import market; in 2004 they were \$3.3 billion.

### INDUSTRY ISSUES

- Coalbed Methane
- Regulatory Effectiveness
- Aboriginal Communities/Partnerships
- Environmental Stewardship, including:
  - Air and Water Quality
  - Remediation
  - Climate Change
  - Cumulative Environmental Effects

### THINK CANADA FIRST!

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